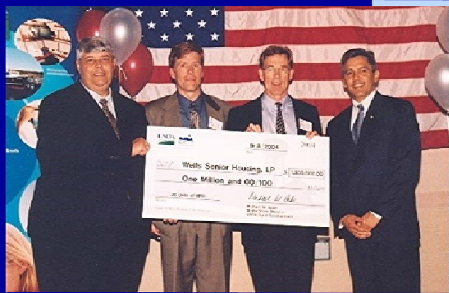


# Rural Development

## Annual Report



Committed to the future of rural communities.





## **A Message from Secretary of Agriculture Ann M. Veneman**

One of the hallmarks of the Bush Administration centers on improving the quality-of-life and increasing economic opportunities in rural communities. To do this, USDA Rural Development focuses efforts on three primary areas -- home ownership opportunities, business development, and community infrastructure.

The \$50 billion in USDA Rural Development investments made by the Bush Administration has helped to create or save over 800,000 jobs that are important to rural communities. The all time record high of 76.1 percent homeownership in rural areas is evidence that programs are working as USDA Rural Development has helped 170,000 families attain their dream of homeownership. President Bush has set a goal of providing access to all Americans by 2007. USDA Rural Development is helping meet this goal by increasing access for 1.2 million households and businesses to high-speed Internet technologies.

USDA Rural Development has provided 2.7 million people with basic community water and wastewater infrastructure. Additionally, investments that assist communities with financing public health and safety first responder requests, including financing the purchase of 600 fire trucks and 150 police cars and construct or renovate nearly 100 medical facilities, are having a positive impact on the quality of life in rural America.

The Bush Administration understands the values and traditions that are unique to those who call rural America home. President Bush and I, along with our USDA Rural Development family, are working hard to support families, businesses, and communities increase economic opportunities and improve the quality of life in rural communities.

**Ann M. Veneman**  
Secretary of Agriculture

**"Committed to the future of rural communities"**



## **A Message from Acting Under Secretary of Rural Development Gilbert G. Gonzalez**



Citizens and community leaders throughout rural American share a common desire to bring economic opportunity and an improved quality of life to their community. There is a remarkable cohesiveness among rural citizens that allows the energy and enthusiasm of local citizens to harness the resources needed to bring solutions to economic and social issues facing their communities.

Today, more Americans than ever are realizing their dream of becoming a homeowner. Bringing stability to families, neighborhoods and increasing personal family wealth through building of financial equity in their future. I am proud to say that 20 percent of the first-time homeowners receiving financing this year are minority families.

We are committed to aggressively working to help families, communities and businesses build the basic community infrastructure, help create more local jobs and gain access to educational and health care services and technologies that allow them to be better prepared to compete in a global environment.

While we have accomplished much, we know that more must be done to assist more families, businesses, and communities benefit from the financing and technical assistance USDA Rural Development provides. That is why I unveiled this year a new education and outreach effort designed to ensure everyone in rural areas know what assistance is available to help them achieve their economic goals and improve their quality of life. Simply put, USDA Rural Development is the sole government agency that can build rural communities from the ground up.

To date, the Bush Administration, through USDA Rural Development, has invested \$50 billion to help create or save over 800,000 jobs. We have a team of dedicated professionals capable and ready to work with you to improve the quality of life in rural Maine. I encourage you to contact your local or state office in Maine to learn more about how USDA Rural Development can help improve the quality of life and increase the economic opportunity in your community.

**Gilbert G. Gonzalez**

Acting Under Secretary of USDA Rural Development



## **A Message from State Director Michael W. Aube**

Rural Development assists thousands of Mainers in building stronger communities each year. In Fiscal Year 2004, Rural Development has invested over \$165 million in Maine's rural communities. Through its Business, Community, and Housing Programs, Rural Development is increasing business opportunities and economic advancement, strengthening community facilities, improving utilities, and supplying safe, decent, and sanitary housing to low-income residents.

Rural Development is proud of accomplishments made this year. Through the tireless efforts of the staff, Rural Development has provided a total of \$66,352,395, making homeownership dreams come true for 826 Maine families through its Housing Programs. Through its Business Programs the agency has created or saved approximately 1,884 jobs, boosting the economy and supplying income for hundreds of Maine families. Rural Development's Utilities Programs have invested \$31,154,215, resulting in 19 communities having safe drinking water and properly working utilities. In addition, a total of 38 facilities, including libraries, schools, and First Responders such as fire and rescue services, have been assisted through the Community Facilities Programs.

This year Rural Development has created more opportunities than ever before, expanding coverage areas for Housing and Community Facilities Programs to include the Augusta and Waterville areas. Every day Rural Development succeeds at strengthening communities and building lives and will continue the endeavor of providing opportunities and advancing the quality of life for Maine's rural citizens.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael W. Aube". The signature is fluid and cursive, written on a light-colored background.

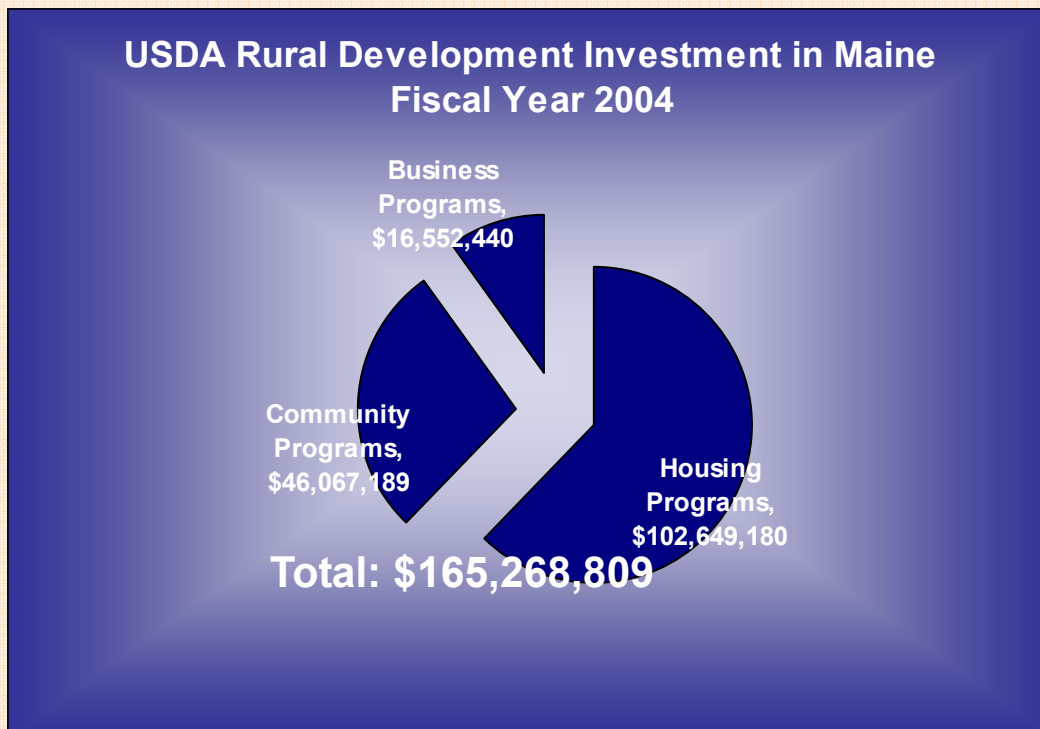
**Michael W. Aube**

State Director of USDA Rural Development in Maine



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# Housing Programs

## Homeownership a Dream Come True for Hamlin Family



Proud Homeowner Laura Cyr sits on the stairs in her home with son Koby and daughter Kaila

**Section 502 Direct Loan-** Rural Development was able to make the dream of homeownership come true for the Cyr family of Hamlin. Through the Section 502 Direct Program, Laura Cyr was able to purchase her home, a two-story house with 2.5 acres - plenty of room for her two children to grow and play.

Before coming to Rural Development for assistance, Laura rented a two-bedroom apartment. With one little girl and a baby on the way, the apartment was too small for the expecting mother. Laura Cyr contacted Rural Development for assistance.

Through the Section 502 Direct Program, Laura was able to purchase her home and make many improvements, including new siding, replacement windows, basement insulation, plumbing in the downstairs bathroom, new carpeting, and new PVC plumbing in the cellar. The loan, which closed on December 23 2003, was "a Christmas gift" to the Cyrs, who moved in right away.

Laura says owning her own home is "Fun. I love it. I can do what I want, change whatever I want, and live by my own rules." Daughter Kaila agrees with Mom "I think it's very nice, and I like this one because its bigger than the other one."



The happiness is evident in the glowing faces of the children. This is more than a house to the Cyrs; it is their first home.

Rural Development's Single Family and Multi-Family Housing Programs offer many living options to Maine residents, assisting them in a variety of housing needs. In Fiscal Year 2004 Rural Development invested \$102,649,180 in the state.

### Single Family Housing Programs-

#### **Section 502 Direct Single Family Housing Program**

-The purpose of the Section 502 Direct Loan Program is to provide housing for low and very-low income rural residents. Applicants may obtain 100 percent financing for the purchase of an existing home, for new home construction, or for repairs to an existing home. *In Fiscal Year 2004 Rural Development assisted 182 families in rural Maine through the 502 Direct Single Family Housing Program for a total of \$19,161,213. A total of 3,821 residents also received \$8,828,997 in payment assistance through Rural Development's Single Family Housing Programs.*

#### **Section 502 Guaranteed Single Family Housing Program**

-Rural Development's Section 502 Guaranteed Single Family Housing Program assists rural citizens in homeownership by providing loan guarantees to approved lenders. In this program, borrowers are not required to make a down-payment toward the purchase of their home, meaning families with low to moderate incomes can obtain the dream of homeownership. *In Fiscal Year 2004 Rural Development assisted 476 families in rural Maine through the Section 502 Guaranteed Single Family Housing Program for a total of \$46,340,450.*

#### **Section 504 Repair and Rehabilitation Loan and Grant Programs -**

**Loan-** The Housing Repair and Rehabilitation Loan is funded directly by the Government. It is available to very-low income residents who own and occupy a home that is in need of repairs. Loan funds may be used to repair or modernize a home or to remove health and safety issues. This is a one percent loan with a 20-year payback period. The maximum loan is \$20,000.

*In Fiscal Year 2004 Rural Development assisted 90 families in rural Maine through the Section 504 Repair and Rehabilitation Single Family Housing Loan Program for a total of \$490,266.*



# Housing Programs

## Rural Development Helps Veteran Keep Out the Cold



**Mr. Leon Hopkins and his wife Shirley stand in front of a new window financed by Rural Development**

**Section 504 Repair and Rehabilitation Grant-** Mr. Leon Hopkins, a retired veteran, and his wife Shirley are an elderly couple living on a limited income. They were in need of some major repairs to their home in order to keep it habitable. Roof, window, and siding repairs were essential in order to keep the rain, snow, and other elements from leaking in and further damaging the interior of the house.

Through Rural Development's Section 504 Repair and Rehabilitation Program, the Hopkinses were able to finance a new roof, repairs to their siding, and two replacement windows.

The Hopkinses will not have to fear the long Maine winter. They have a new metal roof that keeps the rain and snow out and keeps the inside of their home dry. Holes in their siding, which previously allowed the outside to be seen from inside of the house, are now repaired and keep the warmth in the home while keeping pests and inclement weather out. The two replacement windows function perfectly and help the heating and electricity to be more efficient.

Mr. Hopkins is thrilled with the results of working with Rural Development and happy with the repairs to his home. "I am very pleased and glad to have it done. It should last a long time."



## Single Family Housing Programs (Continued)-

### **Section 504 Repair and Rehabilitation Loan and Grant Programs (Continued) -**

**Grant-** The Housing Repair and Rehabilitation grants are available to residents who are 62 years of age or older. The grants may be used for repairs or improvements to remove health and safety hazards or to complete repairs to make the dwelling accessible for people with disabilities. The maximum grant amount is \$7,500 and may be combined with a Repair and Rehabilitation Loan. *In Fiscal Year 2004 Rural Development assisted 78 families in rural Maine through the Section 504 Repair and Rehabilitation Single Family Housing Grant Program for a total of \$360,466.*

### **Self-Help Technical Assistance Grant -**

These grants provide financial assistance to non-profit organizations that will provide technical assistance to low and very-low income residents to build homes in rural areas. The funds may be used for paying salaries, rent, and office expenses of the non-profit organization. *In Fiscal Year 2004 Rural Development invested \$968,500 in the state of Maine.*

### **Mutual Self-Help Loans -**

Mutual Self-Help Loans give people a unique opportunity to construct their own homes. Low and very-low income families who are unable to afford to buy a home can cut costs by providing 65 percent of the construction labor costs through hands-on building. The homeowners gain "sweat equity," which reduces the total amount that is borrowed to build the home.

*In Fiscal Year 2004 Rural Development assisted 19 families in building their own homes through Community Concepts Inc, for total funding of \$1,643,800.*

**Rural Housing Site Loans -** This program provides funds for public or private non-profit organizations to purchase building sites. This includes the funding to construct access roads, streets, and utilities. These sites may be sold to individual households, public agencies, non-profits, and cooperatives that provide financial assistance to low and moderate income families.



# Housing Programs

## Unity Gardens Marks First Time Ever Partnership



From left to right are: Dana Totman, Avesta; Bill Burney, HUD; Michael W. Aube, State Director, Rural Development; Robert Muir, Town of Windham; Gilbert G. Gonzalez, Acting Under Secretary, Rural Development; Margaret Bean, Maine State Housing Authority; and David Bronson, Peoples Heritage Bank

**Direct Multi-Family Housing Loan** - Despite the rain, officials gathered under a tent for an important Groundbreaking Ceremony on September 9, 2004. The event was to celebrate the beginning of construction on Unity Gardens, a highly anticipated 48-unit residential elderly housing apartment complex in Windham, Maine. Unity Gardens marks the first time Rural Development has ever partnered and combined efforts with the Department of Housing and Urban Development and the Maine State Housing Authority on a multi-family housing complex. Joining in the celebration was Gilbert G. Gonzalez, Acting Under Secretary for Rural Development.

Expressing his delight at the first-ever partnership, State Director Michael W. Aube said, "Rural Development is excited to be a part of this group that works tirelessly to improve lives by providing homes for the elderly residents of Windham. These apartments are important because they represent what can be accomplished when great agencies work together on behalf of the people of Maine."

### Multi-Family Housing Programs -

#### **Rural Rental Housing Program -**

Rural Development's Rural Rental Housing Program makes direct and guaranteed loans to help provide affordable housing in areas where it is scarce. Through these programs developers of affordable rural rental housing can obtain a loan with an interest rate as low as one percent and guarantees. Individuals, partnerships, limited partnerships, for-profit and non-profit entities, limited equity cooperatives, Native American tribes, and public agencies are eligible to apply. *In Fiscal Year 2004 Rural Development has made a total of 11 Rural Rental Housing Loans totaling \$5,528,410. The funding will be used to help provide affordable housing in rural areas throughout the state of Maine.*

#### **Farm Labor Housing Loans and Grants -**

Farm Labor Housing Loans and Grants are used to buy, build, repair, or improve housing conditions for farm laborers. Rural Development is the only national source of construction funds dedicated to farm labor housing.

Through this program Rural Development provides loans and grants to public and non-profit agencies and farmers to build affordable rental housing for workers.

#### **Housing Preservation Grant -**

This program works to revitalize rural communities by repairing and rehabilitating homes, rental properties, or co-ops inhabited by low and very-low income citizens. *In Fiscal Year 2004 Rural Development has made a total of three Housing Preservation Grants totaling \$63,000. The funding will be used to rehabilitate and preserve housing for low-income homeowners throughout the state of Maine.*

#### **Rental Assistance Program -**

Rural Development works hard to ensure all Maine residents have safe, decent, and sanitary housing. Through its Rental Assistance Program, Rural Development helps families with incomes too low to pay rent. Rural Development pays the owner of the multi-family complex the difference between the tenant's contribution (30 percent) and the monthly rental rate. *In Fiscal Year 2004 Rural Development has provided \$20,869,188 to assist rural Maine residents in obtaining affordable housing through its Rental Assistance Program.*



# Housing Programs

## Seabreeze Apartments– All the Comforts of Home



### Direct Multi-Family Housing Loan -

Seabreeze Apartments is not your ordinary housing complex. The elderly residents who live here enjoy all the comforts of home. In addition to the friendly staff, Seabreeze Apartments offers such amenities as on-site laundry, a community room for resident activities, and raised gardens for flower and vegetable planting.

The 18-unit residential elderly apartments include Rental Assistance for all units allowing rural Maine citizens to obtain quality, affordable housing and remain independent. Seabreeze Apartments, which opened in December 2003, is currently at full occupancy. Rural Development contributed \$1 million in assistance through its housing programs. Maine State Housing Authority provided \$350,000 in Subsidy (Home Funds); Low Income Housing Tax Credits provided \$619,614; and the owner contributed \$94,119 to make up the \$2,063,733 needed for this construction.

State Director Michael W. Aube said, "Facilities such as this one are essential for Maine's rural elderly population, allowing them to maintain independence while enjoying the comforts of home."



**Dorothy Thompson sits in the kitchen of her apartment**



**Residents of Seabreeze enjoy gardening in their own backyard. Other amenities offered are on-site laundry and a community room for resident activities**



# Community Facilities

## Town of Gilead Receives First New Fire Truck in 200 Years!



Rural Development funds enabled the purchase of a brand new fire truck (shown here)

### Community Facilities Direct Loan and Grant-

The residents of the Town of Gilead have a reason to smile. For the first time in 200 years, they have a new fire truck to call their own. The Town received \$215,000 consisting of Community Facilities Direct Loan and Grant funds from Rural Development. The Town was very pleased to have Rural Development's assistance.

## Rural Development Restores Rescue Service to Rural Citizens

**Community Facilities Direct Loan-** A Rural Development Community Facilities Direct Loan and Community Facilities Grant totaling \$100,000 will greatly impact the availability of services for Tri-Town Ambulance and Emergency Rescue Services, Inc., in West Paris.

The funds will be used to purchase a new ambulance to replace the Service's older, outdated one. The loss of the old ambulance had cut the facility's service coverage in half, leaving them equipped with only one ambulance and creating an emergency situation for the region.

Rural Development is pleased to be a partner in restoring full service to the area. Tri-Town

Ambulance and Emergency Rescue Services, Inc. serves the towns of West Paris, Woodstock, Bryant Pond, Greenwood, and Sumner. The Service also provides emergency assistance and other services to the towns of Bethel, Buckfield, Norway, and Rumford upon request.

### Senior Community Programs

Specialist Alden Turner said, "These funds will supply a greatly needed ambulance to this area, providing

rural Maine citizens with essential emergency medical services."



### Community Facilities Programs -

Organizations assisted through Rural Development's Community Facilities Programs may include schools, libraries, health care facilities, childcare, assisted living facilities, fire and rescue stations, police stations, community centers, public buildings, and transportation. Rural Development has invested \$14,912,974 in the state of Maine in Fiscal Year 2004.

### Community Facilities Direct Program -

Rural Development's Community Facilities Direct Program guarantees loans that develop essential community facilities in rural areas. Public entities such as municipalities, counties, and special purpose districts, as well as non-profit and tribal governments, are eligible. Funds may be used to construct, enlarge, or improve community facilities such as health care, public safety, and other public services. These essential funds ensure people in rural areas have access to quality community facilities. *In Fiscal Year 2004 Rural Development has allocated \$10,137,000 through its Community Facilities Direct Program to assist essential facilities in rural areas throughout the state of Maine.*

### Community Facilities Guaranteed Pro-

gram -Through the Community Facilities Guaranteed Program, public entities such as municipalities, counties, special purpose districts, non-profit and tribal governments can obtain loans backed by a lending institution to assist essential community facilities.

*In Fiscal Year 2004 Rural Development has allocated \$3,679,940 through its Community Facilities Guaranteed Program to assist essential community facilities in rural areas throughout the state of Maine.*

### Community Facilities Grant Program -

To assist rural Maine's community facilities, Rural Development also offers Community Facilities Grants to construct, enlarge, or improve community facilities for health care, public safety, and public and community services. This includes the purchase of equipment such as ambulances. *In Fiscal Year 2004 Rural Development has allocated \$170,000 through its Community Facilities Grant Program to assist essential community facilities in rural areas throughout the state of Maine.*



# Community Facilities

## Downeast Heritage Center Offers a “World of Wonder” to Maine Residents



At the Open House of the Downeast Heritage Center officials gather to cut the ribbon. Representatives of the Acadian culture, Passamaquoddy Tribe, State and Government agencies, Canadian government, and locals dressed to represent the hunting and fishing industries, took part in the festivities.

### Community Facilities Direct and Guaranteed

**Loans** - Officials in Downeast Maine had a vision: to create a historical and cultural center that would rival any in the nation. This unique vision and dedication to bringing the Center to life culminated at a ribbon cutting ceremony on May 22, 2004. The Center is a combined effort of many funding partners, including the U.S. Department of Commerce Economic and Development Administration; Maine Department of Economic and Community Development; the U.S. Fish and Wildlife Service; L.L. Bean; local businesses and residents; and Rural Development, which has contributed \$3.3 million to date through a combination of Community Facilities Direct and Guaranteed Loans. The \$6.6 million Center is aimed at promoting tourism and economic development and offers a “world of wonder” to visitors.

Located in Calais, Maine, the 22,000 square-foot Center, which overlooks the St. Croix River, offers such exhibits as St. Croix Island, Living with the Land, Living With the Sea, and People of the Dawn.

Former Executive Director Marc Edwards called the new addition “an interpretive center,” intended

“to pique people’s interest and show them what the region has to offer.”



Rural Development State Director Michael W. Aube commented, “The Downeast Heritage Center represents the culmination of the efforts of many groups working together to create a place to celebrate the culture, history, and unique heritage of this region. The Center represents what a rural community can accomplish when efforts are united in a common goal of greatness.”



# Business Programs

## Rural Development Assists Historic Maine Inn



From left to right are: Michael Grondin, Business and Cooperative Programs Director; Jeffrey E. Anderholm, owner; Teri W. Anderholm, owner; and Jim Donnelly, Regional Vice President, Machias Savings Bank

### Business and Industry Guaranteed Loan

- Built in 1885, The Bass Cottage Inn is an historic Bed and Breakfast Inn located in Bar Harbor, Maine. With its beautiful old architecture and original woodwork detail, it offers an inviting stay in its century-old rooms.

Rural Development provided the Inn \$1.35 million to help finance the acquisition of, and make improvements to, the Inn. A Guaranteed Business and Industry Loan by Machias Savings Bank complemented a substantial personal investment by the owners, Jeffrey and Teri Anderholm.

The Bass Cottage Inn is located in the heart of Bar Harbor, convenient to the waterfront, public pier, retail shops, and restaurants. Michael W. Aube, State Director of Rural Development, said, "These funds will add value to the Bar Harbor region, helping to bring in tourism dollars on which the area thrives."



The Bass Cottage Inn



A cozy dining room inside the Inn

### Business Programs -

Rural Development's Business Programs provide business opportunities, resulting in jobs and economic development in rural areas. The Business Programs work in partnership with the private sector and community-based organizations to provide financial assistance and business planning. Recipients may be individuals, corporations, partnerships, cooperatives, public bodies, non-profit corporations, Indian tribes, and private companies. Rural Development has allocated \$16,552,440 to spur business development and create opportunities in rural Maine.

### Business and Industry Guaranteed

**Program** -The Business and Industry Guaranteed Program helps rural businesses by providing financial backing. This partnership between Rural Development and finance institutions creates business opportunities for rural Maine. Loans may be used for working capital, machinery and equipment, buildings and real estate, and certain types of debt refinancing. The primary purpose is to create and maintain employment and improve the economic climate in rural communities. *In Fiscal Year 2004 Rural Development has made a total of 11 Business and Industry Guaranteed Loans totaling \$12,655,400. The funding will assist businesses and create jobs in rural areas throughout the state of Maine.*

### Intermediary Relending Program -

The Intermediary Relending Program finances business facilities and community development projects in rural areas. Loans from intermediaries to ultimate recipients may be used for the establishment of new businesses, the expansion of existing businesses, creation of employment opportunities, saving existing jobs, or community development projects. Private non-profit corporations, public agencies, Indian Tribes or cooperatives are eligible for this program. *In Fiscal Year 2004 Rural Development has made two Intermediary Relending Program Loans resulting in \$1,250,000 million invested in rural businesses and community development projects throughout the state of Maine.*



# Business Programs

## Rural Development Supports Maine Snowmobile Industry

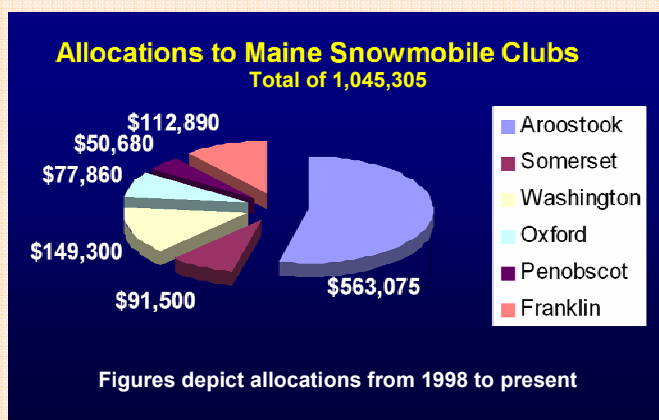


**Mike Grondin, Business Programs Director, Rural Development at right and Gary Johnson, President of Quad County Snowmobile Club, at left**

**Rural Business Enterprise Grants** - Accounting for over \$300 million annually, the snowmobile industry is important to the economy of Maine's rural towns. Rural Development's Business Programs have proved to be an integral supporter of the industry, providing Rural Business Enterprise Grants to the snowmobile clubs for trail grooming equipment.

One such snowmobile club is the Quad County Snowmobile Club, which used its Rural Business Enterprise Grant in the amount of \$43,000 to purchase the trail groomer pictured above. The groomer,

referred to as "Quadzilla" by club President Gary Johnson, weighs 15,000 pounds. With approximately 130 miles of trail used by the snowmobile club, the groomer is truly an essential piece of equipment. Johnson's pride in the club was evident. He said, "Our trails here rival any system in Maine or in the nation." He is already contemplating the purchase of another groomer to keep his trails maintained for the riders who enjoy this popular winter activity.



## Business Programs (Continued) -

### Rural Business Enterprise Grant -

This grant is used for the financing or development of small and emerging businesses. It may be used for purposes such as marketing studies, small business plans, feasibility studies, technical assistance, providing working capital, land acquisition and development, or to construct a building incubator for small and emerging businesses. Those eligible to apply include public bodies, private non-profit corporations, and Federally-recognized Indian Tribal groups. *In Fiscal Year 2004 Rural Development has allocated \$1,733,435 to benefit small and emerging businesses throughout the state of Maine.*

### Rural Business Opportunity Grant -

The Rural Business Opportunity Grant promotes economic opportunities in rural communities with exceptional need. The Grant does this by providing funding for economic planning for rural communities, technical assistance for rural businesses, and training for rural entrepreneurs or economic development officials. Those eligible include public bodies, non-profit corporations, Indian tribes, or cooperatives with members who are rural residents. *In Fiscal Year 2004 Rural Development allocated \$213,790 to promote economic opportunities throughout the state of Maine.*

### Rural Economic Development Loans -

The purpose of the Economic Development Loan is to promote economic development and job creation in rural areas. The zero interest loans are made to electric and telephone utilities financed by Rural Development's Utilities Programs. Funds may be used for business start-ups and expansions, community infrastructure, community facilities and services necessary for economic and job creation purposes, business incubator projects, and more.

### Rural Economic Development Grant -

This grant is used to promote sustainable rural economic development and job creation projects through the operation of a revolving loan fund program. It may be made to electric and telephone utilities financed by Rural Development's Utilities Programs.

### Renewable Energy and Energy Efficiency Improvement Program -

This program is designed to assist agricultural producers and rural small (continued on page 14)



# Business Programs

## Franco American Heritage Center Creates Cultural Climate



**“These important renovations will add value to the culture and history of the Lewiston/Auburn community. The Franco American Heritage Center has statewide appeal as it is a tribute to Maine’s Franco American legacy.”**

**-State Director  
Michael W. Aube**

**The Franco-American Heritage Center adds culture and history to Lewiston**

### **Rural Business Enterprise Grant-**

The Franco-American Heritage Center, a combination museum, cultural center, and performance hall in Lewiston, received a financial boost from Rural Development in June 2004. The grant in the amount of \$367,500 is being used to continue the work and the restoration of the Center, which is estimated at \$4.5 million. The renovations will act as a stimulus for the development of small and emerging businesses in the Empower Lewiston Enterprise Community of Lewiston.

The Center, located in the former St. Mary’s Church in downtown Lewiston, is a part of the City of Lewiston’s Comprehensive Plan adopted in 1997 in which a strategy names creating “a cultural climate” that values arts as an important part of community life. The Center, which will seat approximately 450 people, accomplishes this strategy. The Cen-

ter will accommodate a wide range of activities from business meetings to concerts. It will also have the capability to videotape performances for public viewing on cable television. The Center will also support the local economy by bringing business to artists, small theater companies, local stores, restaurants, gas stations, and many others in the area.

Michael W. Aube, State Director of Rural Development, said, “These important renovations will add value to the culture and history of the Lewiston/Auburn community. The Franco-American Heritage Center has statewide appeal as it is a tribute to Maine’s Franco-American legacy.”

### **Business Programs (Continued) -**

businesses in reducing energy costs and help meet the nation’s critical energy needs. Funds may be used for purchase and installation of equipment, construction or improvements, energy audits, permit fees, professional service fees, feasibility studies, business plans, and retrofitting. Agricultural producers and small businesses in rural areas are eligible to apply. *In Fiscal Year 2004 Rural Development awarded a Renewable Energy Systems and Energy Efficiency Improvement Grant to Gold Top Farms in Knox, Maine. The Grant in the amount of \$4,462 will be used to substantially improve energy conservation at a dairy farm, saving the farm \$8,087 annually.*

### **Value-Added Producer Grant Program -**

The Value-Added Producer Grant Program assists independent producers of agricultural commodities, agricultural producer groups, farmer and rancher cooperatives, and majority owned producer-based business ventures to develop plans for viable marketing opportunities and to develop strategies to create marketing opportunities. *Rural Development has awarded a Value-Added Grant in the amount of \$5,000 to Sunrise County Wild Blueberry Association based in Washington County to assist the agricultural producer in expanding to institutional markets.*



# Utilities Programs

## Rural Development Aids Maine College Town to the Tune of \$6.94 Million



The wastewater treatment plant for the Town of Orono will receive major upgrades from Rural Development

**Water and Waste Disposal Loan and Grant-** The recent infusion of \$6.94 million into the Town of Orono's wastewater treatment plant will upgrade the plant and virtually eliminate combined sewage overflow. The upgrades will significantly improve operations at the plant.

The Town's present wastewater treatment facility is 36 years old. Rural Development's assistance will allow for a new influent flow meter and automatic gate valve, new aerated grit chamber, new influent screen and splitter box, addition of a primary clarifier, addition of a selector basin for filament control, and new UV disinfection systems among other upgrades.

The upgrades will benefit the Town of Orono, which has a population of 8,253 and is the home of the University of Maine.



Orono is a college town nestled near the Penobscot River and is the home of the University of Maine

### Utilities Programs -

Rural Development's Utilities Programs serve a leading role in improving the quality of life in rural America by administering its Electrical, Telecommunications, and Water and Waste Programs in a service-oriented, forward looking, and financially responsible manner. Rural Development has invested \$31,154,215 in the state of Maine in Fiscal Year 2004.

#### **Water and Waste Direct Loan -**

The Water and Waste Direct Loan may be used to develop water and wastewater systems, including solid waste disposal and storm drainage in rural areas. Utilities that qualify include public entities such as municipalities, counties, special-purpose districts, non-profits, and Indian Tribes. *In Fiscal Year 2004 Rural Development has allocated \$11,290,200 to assist rural water and wastewater facilities throughout the state of Maine.*

#### **Water and Waste Guaranteed Loan -**

The Water and Waste Guaranteed Loan is much like the Water and Waste Direct Loans mentioned above, but the loans are made and serviced by lending institutions. Utilities that qualify include public entities such as municipalities, counties, special-purpose districts, non-profits, and Indian Tribes.

#### **Water and Waste Disposal Grants -**

The purpose of the Water and Waste Disposal Grants is to reduce water and waste disposal costs to a reasonable level. In some cases grants may be made up to 75 percent of eligible project costs. Utilities that qualify include public entities such as municipalities, counties, special-purpose districts, non-profits, and Indian Tribes. *In Fiscal Year 2004 Rural Development has allocated \$6,723,845 to assist rural water and wastewater facilities throughout the state of Maine.*

#### **Technical Assistance and Training**

**Grants -** Technical Assistance and Training Grants are made to non-profit organizations to provide technical assistance and/or training to organizations (continued page 16)



# Utilities Programs

## Island Community Receives \$9.7 Million from Federal and State to Fund New Sewer System



**Water and Waste Direct Loan and Grant** - At a Sewer System Dedication Ceremony in Vinalhaven, Michael W. Aube, State Director of Rural Development, celebrated the contributions made by Rural Development and other contributors to the Town's new sewer system along with over 100 residents of the Town of Vinalhaven and its supporters.

The Town of Vinalhaven is an island community with a year-round population of 1,235 residents located in Penobscot Bay, about 15 miles offshore from Rockland. Historically, wastewater treatment and disposal occurred through private septic systems and overboard discharges directly to the ocean. Because of the island's granite geology, many of these systems were failing, resulting in the periodic closure of clam flats, potential health hazards, and violations of State and Federal standards for wastewater discharges.

As early as the 1980's, regulatory agencies were pressuring Vinalhaven officials to find a viable solution but initial facilities and funding plans proved to be impractical. In 1998, the Town formed a Sewer Committee and enlisted the services of the engineering firm of

Woodard & Curran of Bangor. The engineers were charged with the task of designing a solution that would be supported by the community, backed by the Maine Department of Environmental Protection (DEP), and budgeted at a cost that could be funded with minimal impact on the island residents.

In June 2000, with an approved preliminary design, the Town was faced with the daunting challenge of finding the necessary funds for a multi-million dollar project. After a great deal of hard work and perseverance on the part of the Sewer Committee and its engineers, and thanks to the support of Maine's congressional delegation, adequate resources were secured over the next two years. The funding amounts and agencies included \$4,105,430 from Rural Development, \$2,373,775 from three separate special appropriations from the U.S. Congress, \$1,542,000 from the Maine DEP, \$950,000 from the EPA, and \$800,000 from the Maine Department of Economic and Community Development's Community Development Block Grant, for a total of \$9,771,205.

### Utilities Programs (Continued) -

located in rural areas. Assistance may be provided to identify and evaluate solutions to water and waste disposal problems, to improve the operation and maintenance of existing water and waste disposal facilities, and to assist organizations in preparing applications for water and waste disposal facilities.

*In Fiscal Year 2004 Rural Development has allocated \$188,000 to provide technical assistance and training to assist rural water and wastewater facilities throughout the state of Maine.*

### **Solid Waste Management Grants -**

The Solid Waste Management Grants assist public and private non-profit organizations in providing technical assistance and/or training to associations located in rural areas to reduce or eliminate pollution of water resources and improve planning and management of solid waste facilities. Assistance may be provided to enhance operator skills in operations and maintenance, to identify threats to water resources, and to reduce the solid waste stream. *In Fiscal Year 2004 Rural Development allocated \$360,200 for this purpose throughout the state.*

### **Distance Learning and Telemedicine**

**Grants** - The purpose of the Distance Learning and Telemedicine Grants is to encourage and improve telemedicine and distance learning services in rural areas through the use of telecommunications, computer networks, and related advanced technologies by students, teachers, medical professionals, and rural residents. *The Visiting Nurses of Aroostook received a Distance Learning and Telemedicine Grant totaling \$264,448.*

### **Emergency Community Water Assistance**

**Grants** - These grants assist rural communities that have been designated an emergency by the President, Secretary of Agriculture, or other designated official after January 1, 2000. Rural Development offers aid to rural residents in a time of need through this program when a water shortage or hazardous condition is involved. *In Fiscal Year 2004 Rural Development has allocated \$598,000 to the Towns of Washburn and Farmington Falls to assist them in maintaining an adequate water supply to residents.*

**Pre-Development Grants** - The Predevelopment Planning Grants pay the cost associated with developing an application for a water and waste disposal project that can be funded by Rural Development. *In Fiscal Year 2004 Rural Development provided \$25,000 for this purpose.*



# Outreach

Rural Development recognizes the importance of outreach. Strengthening our presence and visibility in Maine's rural communities is a priority it takes seriously. Through various outreach efforts Rural Development is displaying its unwavering commitment to rural communities.



Rural Development State Director Michael W. Aube addresses a line of children at the Aroostook County Action Program (ACAP) Child Care Center in Presque Isle. The children entered a coloring contest on "What a Home Means to Me" in celebration of National Homeownership Month in June. The posters were displayed in the halls of the center.



Rural Development staff members Amie Richardson, Anne Eugley, Michael Grondin, Gary Vanidestine, and Megan Brooker

## Rural Development Staff Serves Lunch at Local Soup Kitchen

On June 29 Rural Development staff participated in Lend-A-Hand Day. Staff members visited the Dorothy Day Soup Kitchen at the Salvation Army of Bangor and served over 100 meals to those in need. This was wonderful outreach on the part of Rural Development and helped many in the area to enjoy a hot meal.

Lend-A-Hand Day is a one-day volunteer opportunity that matches businesses and families with United Way agencies in need of support.

*To find out what having a home meant from a child's perspective Rural Development asked the children at ACAP what having a home meant to them. The most common responses were family, love, friends, protection and shelter. They all agreed that it just gave them "a good feeling."*

*-ACAP Children*



Rural Development participates in events and exhibits throughout the state to increase understanding of the programs it offers. Rural Development Acting Associate Administrator for Housing Programs Shane Goettle (pictured above) visited Maine and participated in the Women In Need Homeownership Expo located in Portland in June. The Expo works to provide a bridge to homeownership for women and minorities in Maine. This is just one example of the numerous outreach activities Rural Development participates in.

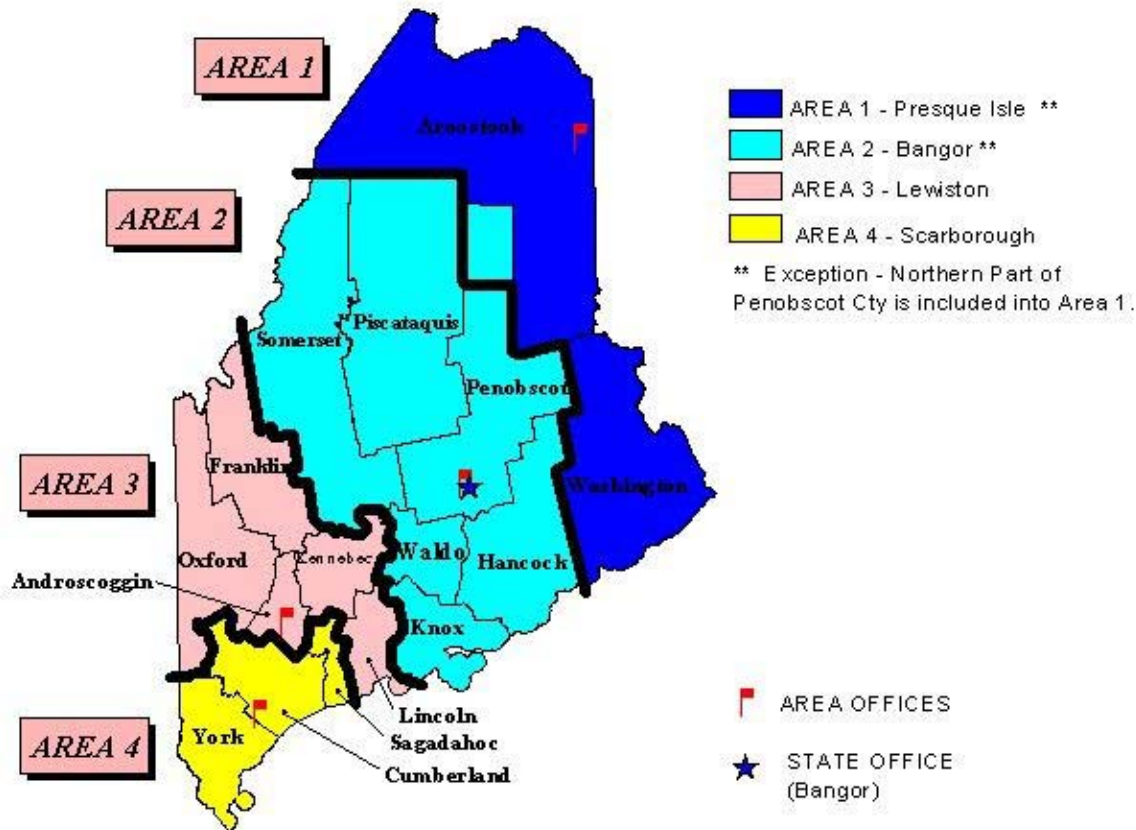


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## USDA - RURAL DEVELOPMENT



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"Committed to the







**"...and we will not stop, we will not tire until we have extended the great promise of America to every neighborhood in America."**

**-President George W. Bush**

## USDA Rural Development State Office

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